



HEALTH ANNUAL STATEMENT  
FOR THE YEAR ENDING DECEMBER 31, 2005  
OF THE CONDITION AND AFFAIRS OF THE

Grand Valley Health Plan

NAIC Group Code	0000	0000	NAIC Company Code	95453	Employer's ID Number	38-2396958
(Current Period)		(Prior Period)				
Organized under the Laws of	Michigan			State of Domicile or Port of Entry	Michigan	
Country of Domicile	United States of America					
Licensed as business type:	Life, Accident & Health [ ]		Property/Casualty [ ]		Dental Service Corporation [ ]	
	Vision Service Corporation [ ]		Other [ ]		Health Maintenance Organization [ X ]	
	Hospital, Medical & Dental Service or Indemnity [ ]		Is HMO, Federally Qualified? Yes [ X ]		No [ ]	
Incorporated/Organized	12/03/1981		Commenced Business	02/05/1982		
Statutory Home Office	829 Forest Hills Ave SE			Grand Rapids, MI 49546		
		(Street and Number)		(City or Town, State and Zip Code)		
Main Administrative Office	829 Forest Hills Ave					
		(Street and Number)				
	Grand Rapids, MI 49546		616-949-2410-119			
		(City or Town, State and Zip Code)		(Area Code) (Telephone Number)		
Mail Address	829 Forest Hills Ave SE			Grand Rapids, MI 49546		
		(Street and Number or P.O. Box)		(City or Town, State and Zip Code)		
Primary Location of Books and Records	829 Forest Hills Ave					
		(Street and Number)				
	Grand Rapids, MI 49546		616-949-2410-116			
		(City or Town, State and Zip Code)		(Area Code) (Telephone Number)		
Internet Website Address	gvhp.com					
Statutory Statement Contact	Roberta Lynn Fehrle Ms.			616-949-2410-116		
		(Name)		(Area Code) (Telephone Number) (Extension)		
	fehrler@gvhp.com			616-949-9948		
		(E-mail Address)		(FAX Number)		
Policyowner Relations Contact	829 Forest Hills Ave SE					
		(Street and Number)				
	Grand Rapids, MI 49546			616-949-2410		
		(City or Town, State and Zip Code)		(Area Code) (Telephone Number) (Extension)		

OFFICERS

Name	Title	Name	Title
Roland Palmer	President	Thomas Schouten	Secretary
Craig Thompson	Treasurer		

OTHER OFFICERS

DIRECTORS OR TRUSTEES

Roland E Palmer	Thomas W Schouten	James T Kerby	Lucille I Grimm
Carole Nugent #	Pamela L Silva	John B Miller	Herbert A Start
Kathy L Lentz	Margaret Sudekum		

State of .....Michigan.....  
County of .....Kent.....  
ss

The officers of this reporting entity, being duly sworn, each depose and say that they are the described officers of said reporting entity, and that on the reporting period stated above, all of the herein described assets were the absolute property of the said reporting entity, free and clear from any liens or claims thereon, except as herein stated, and that this statement, together with related exhibits, schedules and explanations therein contained, annexed or referred to is a full and true statement of all the assets and liabilities and of the condition and affairs of the said reporting entity as of the reporting period stated above, and of its income and deductions therefrom for the period ended, and have been completed in accordance with the NAIC Annual Statement Instructions and Accounting Practices and Procedures manual except to the extent that: (1) state law may differ; or, (2) that state rules or regulations require differences in reporting not related to accounting practices and procedures, according to the best of their information, knowledge and belief, respectively. Furthermore, the scope of this attestation by the described officers also includes the related corresponding electronic filing with the NAIC, when required, that is an exact copy (except for formatting differences due to electronic filing) of the enclosed statement. The electronic filing may be requested by various regulators in lieu of or in addition to the enclosed statement.

Roland Palmer President	Thomas Schouten Secretary	Craig Thompson Treasurer
Subscribed and sworn to before me this 1 day of March, 2006		a. Is this an original filing? Yes [ X ] No [ ] b. If no, 1. State the amendment number 2. Date filed 03/01/2006 3. Number of pages attached
Renay Ake Notary 092908		

# ANNUAL STATEMENT FOR THE YEAR 2005 OF THE Grand Valley Health Plan

## EXHIBIT 2 - ACCIDENT AND HEALTH PREMIUMS DUE AND UNPAID

[illegible]

## ANNUAL STATEMENT FOR THE YEAR 2005 OF THE Grand Valley Health Plan

## EXHIBIT 3 - HEALTH CARE RECEIVABLES

[illegible]

**EXHIBIT 4 – CLAIMS UNPAID AND INCENTIVE POOL, WITHHOLD AND BONUS (Reported and Unreported)**

[illegible]

## ANNUAL STATEMENT FOR THE YEAR 2005 OF THE Grand Valley Health Plan

## EXHIBIT 5 - AMOUNTS DUE FROM PARENT, SUBSIDIARIES AND AFFILIATES

[illegible]

## ANNUAL STATEMENT FOR THE YEAR 2005 OF THE Grand Valley Health Plan

## EXHIBIT 6 - AMOUNTS DUE TO PARENT, SUBSIDIARIES AND AFFILIATES

[illegible]

## EXHIBIT 7 PART 1- SUMMARY OF TRANSACTIONS WITH PROVIDERS

## EXHIBIT 7 - PART 2 - SUMMARY OF TRANSACTIONS WITH INTERMEDIARIES

9999999 Totals	0	XXX	XXX	XXX
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EXHIBIT 8 – FURNITURE, EQUIPMENT AND SUPPLIES OWNED

	1	2	3	4	5	6
Description	Cost	Improvements	Accumulated Depreciation	Book Value Less Encumbrances	Assets Not Admitted	Net Admitted Assets
1. Administrative furniture and equipment .....	1,248,644		1,221,626	27,018	12,979	14,039
2. Medical furniture, equipment and fixtures .....	1,444,158		1,294,600	149,558	65,770	83,788
3. Pharmaceuticals and surgical supplies .....	495,282			495,282		495,282
4. Durable medical equipment .....						
5. Other property and equipment						
6. Total	3,188,084	0	2,516,226	671,858	78,749	593,109





ANNUAL STATEMENT FOR THE YEAR 2005 OF THE Grand Valley Health Plan

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION (a)

REPORT FOR: 1. CORPORATION Grand Valley Health Plan 2. (LOCATION)

NAIC Group Code		0000		BUSINESS IN THE STATE OF Michigan		DURING THE YEAR 2005					NAIC Company Code		95453	
		1	Comprehensive (Hospital & Medical)		4	5	6	7	8	9	10	11	12	13
			2	3										
		Total	Individual	Group	Medicare Supplement	Vision Only	Dental Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Stop Loss	Disability Income	Long-Term Care	Other
Total Members at end of:														
1. Prior Year .....		17,946	229	15,924				1,793						
2. First Quarter .....		16,333	223	14,425				1,685						
3. Second Quarter .....		16,105	221	14,227				1,657						
4. Third Quarter .....		15,792	207	13,967				1,618						
5. Current Year		15,546	183	13,712				1,651						
6. Current Year Member Months		193,573	2,545	170,355				20,673						
Total Member Ambulatory Encounters for Year:														
7. Physician .....		16,564	246	14,206				2,112						
8. Non-Physician .....		53,379	794	45,778				6,807						
9. Total		69,943	1,040	59,984	0	0	0	8,919	0	0	0	0	0	0
10. Hospital Patient Days Incurred		3,504	52	3,005				447						
11. Number of Inpatient Admissions		902	13	774				115						
12. Health Premiums Written.....		45,603,185	677,483	39,120,311				5,805,391						
13. Life Premiums Direct .....		0												
14. Property/Casualty Premiums Written.....		0												
15. Health Premiums Earned.....		45,315,391	669,073	38,840,927				5,805,391						
16. Property/Casualty Premiums Earned.....		0												
17. Amount Paid for Provision of Health Care Services .....		41,985,406	552,003	36,949,491				4,483,912						
18. Amount Incurred for Provision of Health Care Services		42,310,303	629,342	36,285,420				5,395,541						

(a) For health business: number of persons insured under PPO managed care products and number of persons under indemnity only products

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ANNUAL STATEMENT FOR THE YEAR 2005 OF THE Grand Valley Health Plan

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION (a)

REPORT FOR: 1. CORPORATION Grand Valley Health Plan 2. (LOCATION)

NAIC Group Code 0000		BUSINESS IN THE STATE OF Consolidated			DURING THE YEAR 2005							NAIC Company Code 95453		
		1	Comprehensive (Hospital & Medical)		4	5	6	7	8	9	10	11	12	13
			2	3										
		Total	Individual	Group	Medicare Supplement	Vision Only	Dental Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Stop Loss	Disability Income	Long-Term Care	Other
Total Members at end of:														
1. Prior Year .....		17,946	229	15,924	0	0	0	1,793	0	0	0	0	0	0
2. First Quarter .....		16,333	223	14,425	0	0	0	1,685	0	0	0	0	0	0
3. Second Quarter .....		16,105	221	14,227	0	0	0	1,657	0	0	0	0	0	0
4. Third Quarter .....		15,792	207	13,967	0	0	0	1,618	0	0	0	0	0	0
5. Current Year		15,546	183	13,712	0	0	0	1,651	0	0	0	0	0	0
6. Current Year Member Months		193,573	2,545	170,355	0	0	0	20,673	0	0	0	0	0	0
Total Member Ambulatory Encounters for Year:														
7. Physician .....		16,564	246	14,206	0	0	0	2,112	0	0	0	0	0	0
8. Non-Physician .....		53,379	794	45,778	0	0	0	6,807	0	0	0	0	0	0
9. Total		69,943	1,040	59,984	0	0	0	8,919	0	0	0	0	0	0
10. Hospital Patient Days Incurred		3,504	52	3,005	0	0	0	447	0	0	0	0	0	0
11. Number of Inpatient Admissions		902	13	774	0	0	0	115	0	0	0	0	0	0
12. Health Premiums Written.....		45,603,185	677,483	39,120,311	0	0	0	5,805,391	0	0	0	0	0	0
13. Life Premiums Direct .....		0	0	0	0	0	0	0	0	0	0	0	0	0
14. Property/Casualty Premiums Written.....		0	0	0	0	0	0	0	0	0	0	0	0	0
15. Health Premiums Earned.....		45,315,391	669,073	38,840,927	0	0	0	5,805,391	0	0	0	0	0	0
16. Property/Casualty Premiums Earned.....		0	0	0	0	0	0	0	0	0	0	0	0	0
17. Amount Paid for Provision of Health Care Services .....		41,985,406	552,003	36,949,491	0	0	0	4,483,912	0	0	0	0	0	0
18. Amount Incurred for Provision of Health Care Services		42,310,303	629,342	36,285,420	0	0	0	5,395,541	0	0	0	0	0	0

(a) For health business: number of persons insured under PPO managed care products 0 and number of persons under indemnity only products 0

SCHEDULE A - VERIFICATION BETWEEN YEARS

Real Estate

1. Book/adjusted carrying value, December 31, prior year.....	1,296,093
2. Increase (decrease) by adjustment:	
2.1 Totals, Part 1, Column 11 .....	(44,259)
2.2 Totals, Part 3, Column 7 .....	0
3. Cost of acquired, (Totals, Part 2, Column 6, net of encumbrances (Column 7) and net of additions and permanent improvements (Column 9) .....	0
4. Cost of additions and permanent improvements:	
4.1 Totals, Part 1, Column 14.....	0
4.2 Totals, Part 3, Column 9 .....	0
5. Total profit (loss) on sales, Part 3, Column 14 .....	0
6. Increase (decrease) by foreign exchange adjustment:	
6.1 Totals, Part 1, Column 12.....	0
6.2 Totals, Part 3, Column 8 .....	0
7. Amounts received on sales, Part 3, Column 11 and Part 1, Column 13 .....	0
8. Book/adjusted carrying value at end of current period .....	1,251,834
9. Total valuation allowance .....	
10. Subtotal (Lines 8 plus 9) .....	1,251,834
11. Total nonadmitted amounts .....	115,936
12. Statement value, current period (Page 2, real estate lines, Net Admitted Assets column) .....	1,135,898

SCHEDULE B - VERIFICATION BETWEEN YEARS

Mortgage Loans

1. Book value/recorded investment excluding accrued interest of mortgages owned, December 31 of prior year .....	0
2. Amount loaned during year:	
2.1 Actual cost at time of acquisitions .....	
2.2 Additional investment made after acquisitions .....	0
3. Accrual of discount and mortgage interest points and commitment fees .....	
4. Increase (decrease) by adjustment .....	
5. Total profit (loss) on sale .....	
6. Amounts paid on account or in full during the year .....	
7. Amortization of premium .....	
8. Increase (decrease) by foreign exchange adjustment .....	
9. Book value/recorded investment excluding accrued interest on mortgages owned at end of current period .....	0
10. Total valuation allowance .....	
11. Subtotal (Lines 9 plus 10) .....	0
12. Total nonadmitted amounts .....	
13. Statement value of mortgages owned at end of current period (Page 2, mortgage lines, Net Admitted Assets column).....	0

SCHEDULE BA - VERIFICATION BETWEEN YEARS

Long-Term Invested Assets

1. Book/adjusted carrying value of long-term invested assets owned, December 31 of prior year .....	758,649
2. Cost of acquisitions during year:	
2.1 Actual cost at time of acquisitions .....	
2.2 Additional investment made after acquisitions .....	0
3. Accrual of discount .....	
4. Increase (decrease) by adjustment .....	(9,261)
5. Total profit (loss) on sale .....	0
6. Amounts paid on account or in full during the year .....	
7. Amortization of premium .....	
8. Increase (decrease) by foreign exchange adjustment .....	
9. Book/adjusted carrying value of long-term invested assets at end of current period .....	749,388
10. Total valuation allowance .....	
11. Subtotal (Lines 9 plus 10) .....	749,388
12. Total nonadmitted amounts .....	
13. Statement value of long-term invested assets at end of current period (Page 2, Line 7, Column 3).....	749,388

Schedule D - Part 1A - Section 1

NONE

Schedule D - Part 1A - Section 2

NONE

SCHEDULE DA - PART 2 - VERIFICATION BETWEEN YEARS

Short-Term Investments					
	1	2	3	4	5
	Total	Bonds	Mortgage Loans	Other Short-term Investment Assets(a)	Investments in Parent, Subsidiaries and Affiliates
1. Book/adjusted carrying value, prior year .....	1,043,133	0	0	1,043,133	0
2. Cost of short-term investments acquired .....	0				
3. Increase (decrease) by adjustment .....	32,226			32,226	
4. Increase (decrease) by foreign exchange adjustment .....	0				
5. Total profit (loss) on disposal of short-term investments .....	0				
6. Consideration received on disposal of short-term investments .....	0				
7. Book/adjusted carrying value, current year .....	1,075,359	0	0	1,075,359	0
8. Total valuation allowance .....	0				
9. Subtotal (Lines 7 plus 8) .....	1,075,359	0	0	1,075,359	0
10. Total nonadmitted amounts .....	0				
11. Statement value (Lines 9 minus 10) .....	1,075,359	0	0	1,075,359	0
12. Income collected during year .....	0				
13. Income earned during year .....	0				

(a) Indicate the category of such assets, for example, joint ventures, transportation equipment: .....

Schedule DB - Part A - VBY  
**NONE**

Schedule DB - Part B - VBY  
**NONE**

Schedule DB - Part C - VBY  
**NONE**

Schedule DB - Part D - VBY  
**NONE**

Schedule DB - Part E - VBY  
**NONE**

Schedule DB - Part F - Section 1  
**NONE**

Schedule DB - Part F - Section 2  
**NONE**

Schedule S - Part 1 - Section 2  
**NONE**

## ANNUAL STATEMENT FOR THE YEAR 2005 OF THE Grand Valley Health Plan

## SCHEDULE S - PART 2

**Reinsurance Recoverable on Paid and Unpaid Losses Listed by Reinsuring Company as of December 31, Current Year**

[illegible]

## SCHEDULE S - PART 3 - SECTION 2

[illegible]



## ANNUAL STATEMENT FOR THE YEAR 2005 OF THE Grand Valley Health Plan

## SCHEDULE S - PART 4

### Reinsurance Ceded to Unauthorized Companies

[illegible]

Schedule S-Part 5  
Five-Year Exhibit of Reinsurance Ceded Business  
(000 Omitted)

	1 2005	2 2004	3 2003	4 2002	5 2001
<b>A. OPERATIONS ITEMS</b>					
1. Premiums.....	486	685	410	333	306
2. Title XVIII-Medicare.....	0	0	0	0	0
3. Title XIX-Medicaid.....	0	0	0	0	0
4. Commissions and reinsurance expense allowance.....		0	0	0	0
5. Total hospital and medical expenses.....		0	0	0	0
<b>B. BALANCE SHEET ITEMS</b>					
6. Premiums receivable .....		0	0	0	0
7. Claims payable.....		0	0	0	0
8. Reinsurance recoverable on paid losses.....	318	563	587	525	108
9. Experience rating refunds due or unpaid.....		0	0	0	0
10. Commissions and reinsurance expense allowances unpaid.....		0	0	0	0
11. Unauthorized reinsurance offset.....	0	0	0	0	0
<b>C. UNAUTHORIZED REINSURANCE (DEPOSITS BY AND FUNDS WITHHELD FROM)</b>					
12. Funds deposited by and withheld from (F).....	0	0	0	0	0
13. Letters of credit (L).....	0	0	0	0	0
14. Trust agreements (T).....	0	0	0	0	0
15. Other (O)	0	0	0	0	0

SCHEDULE S-PART 6  
Restatement of Balance Sheet to Identify Net Credit For Ceded Reinsurance

	1	2	3
	As Reported (net of ceded)	Restatement Adjustments	Restated (gross of ceded)
ASSETS (Page 2, Col. 3)			
1. Cash and invested assets (Line 10) .....	10,145,446		10,145,446
2. Accident and health premiums due and unpaid (Line 13).....	798,241		798,241
3. Amounts recoverable from reinsurers (Line 14.1).....	318,367		318,367
4. Net credit for ceded reinsurance.....	XXX	318,367	318,367
5. All other admitted assets (Balance).....	1,603,367		1,603,367
6. Total assets (Line 26)	12,865,421	318,367	13,183,788
LIABILITIES, CAPITAL AND SURPLUS (Page 3)			
7. Claims unpaid (Line 1).....	5,924,263	0	5,924,263
8. Accrued medical incentive pool and bonus payments (Line 2).....	0		0
9. Premiums received in advance (Line 8).....	446,350		446,350
10. Reinsurance in unauthorized companies (Line 18).....	0		0
11. All other liabilities (Balance).....	1,587,396		1,587,396
12. Total liabilities (Line 22).....	7,958,009	0	7,958,009
13. Total capital and surplus (Line 31).....	4,907,410	XXX	4,907,410
14. Total liabilities, capital and surplus (Line 32)	12,865,419	0	12,865,419
NET CREDIT FOR CEDED REINSURANCE			
15. Claims unpaid.....	0		
16. Accrued medical incentive pool.....	0		
17. Premiums received in advance .....	0		
18. Reinsurance recoverable on paid losses .....	318,367		
19. Other ceded reinsurance recoverables .....	0		
20. Total ceded reinsurance recoverables .....	318,367		
21. Premiums receivable .....	0		
22. Unauthorized reinsurance .....	0		
23. Other ceded reinsurance payables/offsets .....	0		
24. Total ceded reinsurance payable/offsets .....	0		
25. Total net credit for ceded reinsurance	318,367		

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## SCHEDULE Y

## PART 2 - SUMMARY OF INSURER'S TRANSACTIONS WITH ANY AFFILIATES

[illegible]

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

The following supplemental reports are required to be filed as part of your statement filing unless specifically waived by the domiciliary state. However, in the event that your domiciliary state waives the filing requirement, your response of **WAIVED** to the specific interrogatory will be accepted in lieu of filing a "NONE" report and a bar code will be printed below. If the supplement is required of your company but is not filed for whatever reason enter **SEE EXPLANATION** and provide an explanation following the interrogatory questions.

MARCH FILING

1.

Will the Supplemental Compensation Exhibit be filed with the state of domicile by March 1?

.....YES.....
2.

Will an actuarial opinion be filed by March 1?

.....WAIVED.....
3.

Will the Risk-based Capital Report be filed with the NAIC by March 1?

.....YES.....
4.

Will the Risk-based Capital be filed with the state of domicile, if required by March 1?

.....YES.....

APRIL FILING

5.

Will Management's Discussion and Analysis be filed by April 1?

.....YES.....
6.

Will the Investment Risks Interrogatories be filed by April 1?

.....YES.....

JUNE FILING

7.

Will an audited financial report be filed by June 1?

.....YES.....

The following supplemental reports are required to be filed as part of your statement filing. However, in the event that your company does not transact the type of business for which the special report must be filed, your response of **NO** to the specific interrogatory will be accepted in lieu of filing a "NONE" report and a bar code will be printed below. If the supplement is required of your company but is not filed for whatever reason enter **SEE EXPLANATION** and provide an explanation following the interrogatory questions.

MARCH FILING

8.

Will the Medicare Supplement Insurance Experience Exhibit be filed with the state of domicile and the NAIC by March 1?

.....NO.....
9.

Will the Supplemental Life data due March 1 be filed with the state of domicile and the NAIC?

.....NO.....
10.

Will the Supplemental Property/Casualty data due March 1 be filed with the state of domicile and the NAIC?

.....NO.....
11.

Will the Schedule SIS (Stockholder Information Supplement) be filed with the state of domicile by March 1?

.....NO.....

APRIL FILING

12.

Will the Long-Term Care Experience Reporting Forms be filed with the state of domicile by April 1?

.....NO.....
13.

Will the Supplemental Life data due April 1 be filed with the state of domicile and the NAIC?

.....NO.....
14.

Will the Supplemental Property/Casualty data due April 1 be filed with the state of domicile and the NAIC?


.....NO.....

EXPLANATION:


8.
9.
10.
11.
12.
13.
14.

BAR CODE:


2.




9 5 4 5 3 2 0 0 5 4 4 0 0 0 0 0 0
8.




9 5 4 5 3 2 0 0 5 3 6 0 5 8 0 0 0
9.




9 5 4 5 3 2 0 0 5 2 0 5 0 0 0 0 0
10.




9 5 4 5 3 2 0 0 5 2 0 7 0 0 0 0 0
11.




9 5 4 5 3 2 0 0 5 4 2 0 0 0 0 0 0
12.



9 5 4 5 3 2 0 0 5 3 3 0 5 8 0 0 0
13.



9 5 4 5 3 2 0 0 5 2 1 1 5 8 0 0 0
14.



9 5 4 5 3 2 0 0 5 2 1 3 0 0 0 0 0

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